



CALIFORNIA VETERANS BOARD

Meeting Minutes #696
October 26, 2006



Chairman Vernon Chong
Randal Bressette, Vice Chairman
Leo P. Burke, Board Member

Jake I. Alarid, Board Member
Alice Astafan, Board Member
Colin Shadell, Board Member

The California Veterans Board met at the California Veterans Home, Chula Vista, in Chula Vista, California at 4:00 PM

ROLL CALL

Present: Board Members Vernon Chong, Chairman, Randal Bressette, Vice-Chairman, Alice Astafan, Member, Leo Burke, Member, Colin Shadell, Member

Absent: Jake Alarid, Member (Excused)

Chairman Chong presided

CLOSED SESSION

The Board discussed the hiring of Independent Counsel.

RECOMMENDATION

Board Member Bressette moved to continue this issue until the next meeting in December and invite Robert Wilson, Deputy Secretary and Chief Legal Counsel to the Closed Session for further discussion.

Board Member Burke seconded. The vote was as follows:

AYES: Board members Astafan, Bressette, Burke, Chong, and Shadell.

NOES: None

ABSENT: Jake Alarid

Chairman declared the motion carried.

The Board requested Karla Broussard-Boyd, Legal Counsel from the Department to join the Closed Session at this time to provide further input to the discussion.

IV. NEW BUSINESS

A. Board Conduct and Ethics

RECOMMENDATION

Board Member Bressette moved to continue this issue until the next meeting in December. Board Member Burke seconded. The vote was as follows:

AYES: Board members Astafan, Bressette, Burke, Chong, and Shadell.

NOES: None

ABSENT: Jake Alarid
Chairman declared the motion carried.

V. OLD BUSINESS

A. Committees: Purpose, areas of interest, operating policies, etc.

Member Astafan read the role and responsibilities of the Communications Committee.

Committee Reports will be added to future agendas.

B. Board Policies: purpose, how initiated, how developed and approved.

Chairman Chong and Member Bressette will be reviewing all of the Board policies and bringing recommended additions and revisions to the Board for consideration.

MEETING ADJOURNED AT 6:00 PM



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Alice Astafan, Board Member
Colin Shadell, Board Member

The California Veterans Board met at the California Veterans Home, Chula Vista, in Chula Vista, California at 9:00 AM

ROLL CALL

Present: Vernon Chong, Chairman, Randal Bressette, Vice-Chairman, Alice Astafan, Member, Leo Burke, Member, Colin Shadell, Member

Absent: Jake Alarid, Member (Excused)

Chairman Chong presided

OPENING CEREMONIES

A) INVOCATION

B) PLEDGE OF ALLEGIANCE

WELCOMING REMARKS/INTRODUCTIONS

Chairman Chong welcomed everyone and thanked them for attending the meeting. The Chairman then introduced the members of the Board and provided background on each Board member. Chairman Chong introduced Mr. Thomas Johnson, the Secretary of the California Department of Veterans Affairs.

Secretary Johnson welcomed the group and introduced his staff, Chief of Operations John Hanretty, Deputy Secretary for Communications and Legislation J.P. Tremblay, Deputy Secretary of Homes Bill Parente, and Legal Counsel Karla Broussard-Boyd, Chief of Marketing Division Ron Brand, Director of the Regional Office in San Diego Tracy Greenamyre and members of her staff Judy Magdaleno, Nancy Liu and Linda McDowell, Administrator of Chula Vista Gil Acevedo, and Director of Public Affairs John Smith.

The Secretary announced that after receiving considerable input regarding the decision to close the San Diego Cal Vet office, the Department has decided to keep the office in place, with a manager, and look for new space. The preference would be to co-locate the office with other veteran service agencies and to find an office with space for four people. It is also necessary to continue to reduce the overhead expenses for the program in line with recommendations from rating agencies and program consultants but every effort will be made to keep the service at the highest levels so that the Cal Vet program remains strong and viable.

Chairman Chong introduced Congressman Bob Filner. The Congressman updated the group on current issues that effect Veterans updating the G.I. Bill, making the budget for Veterans healthcare a mandatory program. He would like to spend more attention on mental health aspects of the Veterans needs, as several hundred suicides have occurred by returning Vets from Iraq and Afganistan.

MINUTES

Executive Officer, Bonnie Kelly

RECOMMENDATION

Approve the minutes of the previous meeting held September 28, and 29, 2006. Member Astafan noted that under the Secretary's welcoming remarks, it should read "the Secretary welcomed the group to Los Angeles" rather than Sacramento.

Board member Bressette moved to approve September 28, and 29, 2006 minutes with the noted correction. Board member Shadell seconded. The vote was as follows:

AYES: Board members, Astafan, Bressette, Burke, Chong, and Shadell.

NOES: None

ABSENT: Jake Alarid, Member

Chairman declared the motion carried.

PUBLIC COMMENT

Harry Hay

Pete Peterson

William Randall

Mike Gonzalez

John Farrell

Mr. Valdez

Roberto Avila

OLD BUSINESS

There was no Old Business items for this agenda.

DEPARTMENT FORUM

A. Department Update

- John Hanretty gave an overview of the CalVet Fund explaining the unrestricted and QVMB money. He also gave the history of HR 1177/2952 and our goal to get the federal law changed to allow usage of tax exempt bonds at the Federal level for current year Veterans. In the absence of that occurring, the business plan states that the Department will run a much smaller program out of this small fund. We need to get as much support as we can from all California citizens in all sectors to support Veterans and lobby Congress to change tax law. The Secretary noted that Mr. Hanretty and the Undersecretary Roger Brautigan will be in New York for the bond sale in November.
- The Secretary gave an update on GLAVC and advised that we anticipate receiving word any day that the Secretary has signed off on the property. That was the only piece of property of all of the VA units in the country that was exempt from the CARES process because it was designated specifically for our home. We do not anticipate any hold ups.
- There's still a problem in the federal government with the State Home Grant Program. The Department sent out a letter on October 6 statewide regarding the Military Construction Military Quality of Life and Veteran's Affairs Appropriation Act of 2007 which will be voted

on when Congress reconvenes in it's Lame Duck Session in a few weeks. It's extremely important that every member of Congress, as well as our two Senators, know that HR 5385 must include \$105 million in the State Home Grant Program, which is what the House has recommended. The Senate has recommended \$85 million. In 2000 there was \$100 million in this program, and two years ago there was \$105 million. Last year, they dropped it to \$85 million despite the fact that there are many more life safety, as well as new homes required for State home Veterans. We're asking everyone to make this a priority. It's time for every Veterans organization and the Board to take leadership in getting behind their congressmen and their senators to support the House version of the Veterans budget signed. If the Senate version is adopted, the Program may not be able to meet its funding commitments and could become a major problem for all state home projects, including those in California. This is being managed statewide with every state on board working towards the same goal.

- Regarding the Fresno and Redding homes, Secretary Johnson will be in Washington with a member of General Services, Steve Durham, on November 16 to speak with the Federal government about design build again to determine a way to get them to commit dollars earlier in the process.
- Predatory Lending Act. The Governor put together a Task Force due to a concern brought by General Leonard that Veterans were being preyed upon by Pay Day check cashing outfits resulting in a readiness problem. Some of his troops were getting into a cycle of debt paying up to 900% rate of interest. There were 66 different Pay Day Loan outfits in Oceanside that were targeting military troops. The Department of Defense did a report on this nationwide. The Federal Government has passed a version that would cap these predatory loan practices at 36%, which will put many of them out of business. It will not take effect until next year, but will put a tight lid on this kind of business. The Governor's Task Force will be looking at this new Federal law to see if there's any other component that California could include, such as counseling services.
- Veterans Services has three regional offices located in Los Angeles, Oakland and San Diego. District Manager, Tracy Greenamyre of the San Diego Office explained that they assist and advise the Veterans and their dependents in applying for their disability and compensation and benefits in the San Diego community as well as San Diego County, Riverside County, Palm Desert, Imperial County, Orange County, and parts of San Bernardino. There's also an office with a Veterans Service Claim Representative in the clinic at Chula Vista.
- Headquarters is now dealing with the budget for July 1, 2007. The State is still in a structural deficit and there are no new programs or expanded programs that are being allowed. The major concern going forward is the salary issue. A ruling by Judge Henderson of the U.S. District Court for Northern California relative to a recommendation by the Federal Receiver, Bob Sillen who has been appointed to oversee the prison healthcare system. His charge was to ensure that the prison healthcare system met all of the Federal and legal requirements for providing healthcare to prisoners. In order to do that, they had to have nurses, doctors, technicians that were sufficient to provide that healthcare. In some instances they had vacancy rates of 50% in some categories of professionals, so the Judge accepted the recommendation from Mr. Sillen regarding salaries. He requested, and received approval, to increase the salaries by 47%, which would mean that the RN's in the Bay Area would be maximized at \$107,868. The maximum rate for an RN in Barstow, including the R&R as of January when they will receive an increase, is \$73,128. Their salary is almost 50% more at the maximum than the maximum at the Veteran's home. There's a similar situation with Pharmacists. The Judge awarded an increase of 64% and 28% for the Clinical Dietitian. We already have a 31% vacancy rate for RN's at Yountville, a 40% vacancy rate for Pharmacists,

and 17% vacancy rate for Dietitians. An increase of 47%, 65% and 28% over our existing salaries will create an enormous problem.

- During the Secretary's Conference there was a focus on education during the first half and on jobs during the second half. As Congressman Filner noted, the G.I. Bill is in need of re-vamping. Several of our California representatives have been participating in the Montgomery G.I. rewrite. We've noted in California a number of our Veterans active duty are not taking advantage of their G.I. Bill, and only 50% of our active duty troops use the Montgomery G.I. Bill. The Governor put together a task force with the Department's Veteran's Services Chief Jack Kirwan, to determine ways to get more information out to our active duty troops about the California educational opportunities. A lot of the troops didn't know they could have out of state tuition waived.
- The second Hire a Hero, Hire a Vet job fair was just held in Sacramento with an attendance of 60 businesses. The first one in Kings County had 120. The Governor also has a task force working on this and there are plans to hold eight more fairs around the state next year to bring employers and Veterans together.
- For Veterans Day, Secretary Nicholson has sent out a message called "Veterans Pride Initiative" that is being reiterated by the Governor. He's asking that all Veterans living in California support the Veterans Pride Initiative by wearing their military medal on Veterans Day to remind all Californians of the pride and honor they have in the service to this great nation.
- There's currently an opportunity to name one of the Virginia class submarines, and we're suggesting California. We've put the word out and asked everyone to send a letter to Secretary of Navy, Don Winter.
- The month of October is Disability Awareness Month and the Department has been conducting various exhibits, programs, speakers and luncheons with regard to our broad view of disabilities, both in ensuring that we hire not only Veterans that have disabilities, but others who meet the target criteria that we have as a Department. The Department is also working on programs specifically directed to Veterans returning from Iraq and Afghanistan with disabilities, both physical and mental, who need to be reintegrated into society into either a vocational opportunity or getting transitional assistance. A meeting was held on grant programs dealing with this issue.

B. Veterans Information and Security

The Secretary responded to a request by Member Astafan to review the Department's procedures on securing Veterans information. He advised that Governor Schwarzenegger started a letter campaign two and a half years ago to welcome back Veterans returning to the State. To do this, the Department needed a copy of their DD-214. After the contact information is extracted, the copy is destroyed. It is protected by the Privacy Act and no further information is allowed to be used from that mailing list. Relative to the Veterans homes, there's a full time employee to ensure all HIPPA regulations are complied with. Both electronic and paper records are kept in locked areas and in sealed bags when transported. Our staff is trained relative to HIPPA requirements, and we regularly update our firewalls within the electronic system for anti virus and anti spyware components. Passwords are strictly enforced and all laptops are encrypted. We have a Cyber Security Incident Response Plan and a Cyber Security Incident Response Team. We also have a full time Information Security Officer that reports to the Secretary. He ensures all laptops are encrypted organization-wide, monitors network traffic, and data transactions as well

as internet traffic to ensure it's being conducted appropriately by staff. If there are breaches, individuals are discharged. We have also employed both primary and secondary firewalls between the CDVA and the internet. All of our data is backed up and kept off site.

C. Significant Legal Matters

NEW BUSINESS

Chairman Chong introduced Senator Denise Ducheny. The Senator welcomed the group to Chula Vista and expressed her pleasure that the San Diego Office would continue a presence.

A. Centralized Home Admissions

With the advent of three new Homes, the question arose whether there should be a consistent admission policy and whether there should be a centralized admission. Secretary of Homes, Bill Parente outlined what the current procedure is and future efforts to improve the process. He advised a new application will soon be on line.

B. C-13 Proposed Policy – Homes Admission Criteria

Chairman Chong read the proposed policy. Mr. Parente suggested meeting with the Policy & Procedures Committee to further discuss and formulate the admission criteria for homes policy.

LEGISLATIVE UPDATE

No legislative issues were discussed.

COMMENTS BY BOARD MEMBERS

Member Bressette requested that the Department's website be added to our business cards when they are next re-printed.

Chairman Chong advised that the Board Policies are subject to review every two years and that the Policy & Procedures Committee will begin this process. He requested the Department's assistance in this review process.

MEETING ADJOURNED AT 11:30 AM.